

*This information is provided as a resource by Saskatchewan Agriculture staff.
All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
Please use this information at your own risk.*

Cattle Market Update

For the Week Ending October 31, 2014

All prices are quoted in Canadian dollars per hundredweight (\$/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices (\$/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Oct. 31/2014	Average	\$353.80	\$314.50	\$282.14	\$261.36	\$246.56	\$235.83	\$216.33
Oct. 31/2014	Range	340-369	298-335	269-297	252-272	239-256	230-240	205-227
Week/Week	Change	-\$7.06	-\$1.39	-\$3.28	-\$2.95	-\$3.11	-\$0.52	-\$4.17
Oct. 24/2014	Average	\$360.86	\$315.89	\$285.42	\$264.31	\$249.67	\$236.35	\$220.50
Feeder Heifers		300-400	400-500	500-600	600-700	700-800	800+ lb.	
Oct. 31/2014	Average	\$310.69	\$281.45	\$255.63	\$238.88	\$224.46	\$217.42	
Oct. 31/2014	Range	295-329	267-299	247-267	231-248	220-233	213-225	
Week/Week	Change	-\$9.23	-\$2.05	-\$0.32	-\$1.04	-\$2.34	-\$0.25	
Oct. 24/2014	Average	\$319.92	\$283.50	\$255.95	\$239.92	\$226.80	\$217.67	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

Canfax reported that a total of 51,137 head of cattle were sold in Saskatchewan this week, up from 46,137 head marketed the previous week. Saskatchewan feeder cattle prices were lower over the week with large volumes of feeder cattle sold and higher feed prices.

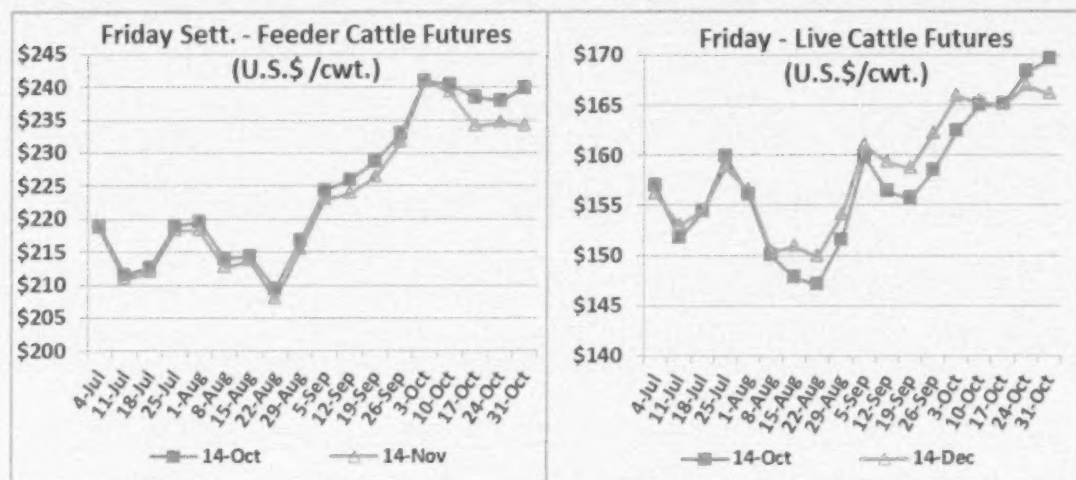
Saskatchewan feeder steer prices were lower in all weight categories over the week. Feeder steer prices declined between \$0.52 per cwt and \$7.06 per cwt. The 300-400 lb. feeder steer weight category had the largest decline losing \$7.06 per cwt.

Feeder heifer prices were also lower in all weight categories over the week declining between \$0.25 per cwt and \$9.23 per cwt. The 300-400 lb. feeder heifer weight category had the largest loss over the week declining \$9.23 per cwt. Excluding the largest loss in both the feeder steer and feeder heifer categories (300-400 lb.), losses overall only averaged about \$2 per cwt.

The Saskatchewan 750 lb. feeder steer basis compared to the October 30, 2014 U.S. feeder cattle index at US\$239.95 per cwt was calculated at -\$23.90 per cwt (US\$239.95/0.8872 -\$246.56), a basis widening of \$4.96 per cwt from -\$18.94 per cwt on October 23, 2014.

Feeder cattle futures prices were mixed over the week. The October feeder cattle futures contract increased US\$2.05 per cwt to expire over the week at US\$239.950 per cwt. The November and January feeder cattle contracts edged lower, week-over-week. The November contract was down

US\$0.500 per cwt to settle Friday at US\$234.150 per cwt, while the January 2015 contract was down US\$0.425 per cwt to settle Friday at US\$228.475 per cwt. Daily price swings and daily highs edged higher after Tuesday for the November contract with daily price spreads peaking at US\$2.850 per cwt on Friday. Daily price spreads and volatility over the week were overall lower than the previous week.



Source: CME

Source: CME

Live cattle futures prices were also mixed over the week with the October contract increasing US\$1.250 per cwt to expire on Friday at US\$169.500 per cwt. Both December and February live cattle future contracts were lower with the December contract declining US\$0.850 per cwt to settle Friday at US\$166.050, while the February contract declined US\$0.450 per cwt to settle Friday at US\$166.100 per cwt. Daily price swings for the December contract were the highest on Wednesday at US\$2.400 per cwt. Daily price spreads over the week were lower than the previous week.

Iowa cash corn prices and futures corn prices moved noticeably higher over the week. Iowa cash corn prices increased 25 cents per bushel to end Friday at US\$3.37 per bushel. The December and March corn futures contracts were higher with the December contract increasing almost 24 cents to settle Friday at US\$3.76¼ per bushel, while the March 2015 corn futures contract increased over 22 cents to settle Friday at \$3.89¼ per bushel.

Fed and Non-fed Cattle

	October 31	October 24	Change over Week
Cows (Alberta)			
D1.2 Live	126.38	125.50	+0.88
D3 Live	110.67	110.50	+0.17
Rail	245-250	237-242	+8.00

Source: Canfax.

Prices for liveweight, non-fed cattle in Alberta were higher last week with D1,2 slaughter cows increasing \$0.88 per cwt to average \$126.38 per cwt, while the price of D3 slaughter cows increased \$0.17 per cwt to average \$110.67 per cwt.

Fed cattle sales in Western Canada were too light to establish a reliable price trend so the price of fed steers in Alberta was not reported. Fed steer prices in Alberta the previous week (Oct 24) were reported to average \$169.66 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US\$167.42 per cwt, down US\$1.37 from US\$168.79 per cwt the previous week, but up 26.8 per cent from US\$131.99 per cwt a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US\$263.88 per cwt, down US\$0.91 per cwt from US\$264.79 per cwt the previous week, but up 26.9 per cent from US\$207.96 per cwt a year ago.

U.S. beef production for the week totaled 455.6 million lb., down 3.9 per cent from 474.2 million lb. a week ago, and down 8.6 per cent from 498.5 million lb. the same week a year ago. Cattle slaughter numbers were 553,000 head, down 4.0 per cent from 576,000 head the previous week, and down 11.2 per cent from 623,000 head a year ago.

Average beef cutout values (Choice 600-900 lb.) for the week ending November 1 averaged US\$251.79 per cwt, up US\$2.29 per cwt from US\$249.50 per cwt from the previous week, and up 23.1 per cent from US\$204.56 per cwt a year ago.

According to the latest U.S. Meat Export Federation data that is available, U.S. beef plus beef variety meat exports totaled \$655.2 million dollars in August 2014, up 5.4 per cent from July, and up 16.3 per cent from August 2013. U.S. beef exports year-to-date August 2014, totaled \$4.546 billion dollars, up 13.3 per cent from the same period in 2013. By volume, U.S. beef exports are up 3.0 per cent year-to-date. The big U.S. increases in exports were to Hong Kong, Mexico, and South Korea. (USDA Meat Export Federation)

The Foreign Agricultural Service of the USDA released their Livestock and Poultry: World Markets and Trade for October 2014. While overall world beef and veal production is projected to increase slightly for 2014, it is forecasted to decline 1.4 per cent in 2015. World beef and veal exports are projected to reach almost 9.8 million metric tons in 2014, with Brazil (21%) and India (19%) leading the exports, followed by Australia (18%) and the United States (12%). While beef and veal production in 2015 is forecasted to increase in Brazil (+3.0%) and India (+3.7%), there will be noticeable declines in production in Australia (-6.8%) and the United States (-2.3%). The total calf crop in the world is forecasted to decline almost 9.9 million head in 2015, down 3.3 per cent from 2014, and down 1.6 per cent from the 2013 world calf crop. (USDA Foreign Agricultural Service)

Friday Price Information

Product	This Week (October 31)	Week of: (October 24)
Canadian Dollar (closing rate US\$)	.8872	.8918
U.S. Cash Cattle		
Thurs. Feeder Cattle (FC) Index (US\$ per cwt)	239.95	239.55
Seven-day Weighted Average FC Index Wt. (lb.)	737	736
Live Fed 5-area Steer Price (US\$ per cwt)	167.42	168.79
Feed Grains		
Barley Lethbridge (\$/tonne)	187.00	183.00
(\$ per bu.)	4.07	3.98
Corn Iowa State Average (CDN\$/tonne)*	149.54	137.73
(US\$ per bu.)	3.37	3.12
Omaha, NE (CDN\$/tonne)*	146.88	142.59
(US\$ per bu.)	3.31	3.23
Futures		
Dec. Corn (US\$ per bu.)	3.76¾	3.53
March Corn (US\$ per bu.)	3.89¼	3.66¾
October Live Cattle (US\$ per cwt)*expiry	169.500	168.250
December Live Cattle (US\$ per cwt)	166.050	166.900
Oct. Feeder Cattle (US\$ per cwt)*expiry	239.950	237.900
November Feeder Cattle (US\$ per cwt)	234.150	234.650

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship, Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
 * conversion to CDN\$ is based on Friday's CDN\$ closing rate

For more information contact:

Brad Marceniuk, PAg
Provincial Livestock Economist
306-933-5098
brad.marceniuk@gov.sk.ca